

(b) The City agrees to permit employees of the bargaining unit, to the extent permitted by law, to voluntarily participate in a deferred compensation program as provided for in Resolution 1984-48 AUTHORIZING AND APPROVING A DEFERRED COMPENSATION PLAN FOR PARTICIPATING EMPLOYEES.

(c) The City agrees to meet and confer with the union, upon their request, should the Internal Revenue Code be amended so as to adversely impact the intended purpose of the adopted deferred compensation program.

Section 20.5 State Disability Insurance As An Employee Paid Benefit

(a) To the extent permitted by the State of California, the City agrees, as a 'fully employee-paid' benefit and handled as an authorized employee payroll deduction, to enroll qualified employees subject to this Memorandum of Understanding into the State Disability Insurance (S.D.I.) program.

(b) To facilitate a coordination of benefits with regard to the use of authorized sick leave accruals used by an employee during such period(s) of time when such employee is drawing disability insurance benefits relating to paragraph (a) the City shall, upon actual enrollment in the S.D.I. program and after meeting and conferring with the Union adopt a schedule of sick leave reinstatement for S.D.I. funds received from an employee.

(c) In no event shall an employee, during absence from work for an illness or disability where S.D.I. benefits are paid, earn an amount of compensation greater than the straight-time wages regularly payable if the employee had actually worked.

Section 20.6 Health Insurance After Retirement from City Service

The City is agreeable to consider development of a trust fund or annuity option with a third-party provider to allow employees to use sick leave payoff or employee contributions at retirement as a vehicle to provide for payment of retiree medical coverage.

Section 21. Safety

Section 21.1 Observance of Safety Rules and Regulations

Both the City and the Union shall expend every effort to ensure that work is performed with a maximum degree of safety, consistent with the requirement to conduct efficient operations.

Each employee covered by this memorandum agrees to comply with all safety rules and regulations in effect and any subsequent rules and regulations that may be adopted. Employees further agree they will report all accidents and safety hazards to the appropriate management official immediately. Any employee having knowledge of or who is a witness to an accident shall, if requested, give full and truthful testimony as to same.

Section 21.2 Safety Equipment

(a) The City shall continue to supply employees with safety equipment required by the City and/or CAL OSHA. All employees shall use City supplied safety equipment only for the purposes and uses specified under applicable safety rules and regulations.

(b) Special Purpose Footwear:

Special purpose footwear, required by the city, shall be worn during all hours worked.

(1) Such special purpose footwear, in a basic style determined by the City and from a source designated by the City, will be provided on an 'as needed' basis. Repair or replacement shall be at the option of the City.

An employee, upon request, may be provided with a style approved by the city which is greater in cost than the basic style, however, the employee shall be responsible to pay the additional costs incurred. In adopting or changing the basic style for special purpose footwear, consideration will be given by the City to current practices.

Section 21.3 Safety Program

The City shall establish a safety committee and the Union shall have a minimum of two employee representatives on the committee.

Section 22. Discipline

The City may discharge, suspend, demote, reduce pay or otherwise discipline any employee for cause. No employee shall be discharged unless a Letter of Reprimand shall previously have been given to such employee regarding the employee's work or conduct, except that no such prior warning notice shall be required if the cause for the employee's discharge is dishonesty, insubordination, use of illicit drugs, use of alcoholic beverages related to employment, or failure to perform work as required.

In cases where a prior Letter of Reprimand is required prior to discharge, such discharge shall not necessarily have to be based on the same type of misconduct as that which gave cause for the prior Letter of Reprimand. Any discharged, suspended, or demoted employee shall be furnished the reasons for such action in writing with a copy of such letter furnished to the Union. In the event an employee feels that the discharge, suspension or demotion is unjust, the Union shall have the right to appeal the case through the grievance procedure within five working days from the date the employee was notified of such action.

Probationary employees may be discharged in accordance with Section 10 of this Memorandum of Understanding. Such discharge shall not be subject to the grievance procedure.